

USDA - APHIS

TRANSCRIPT OF PUBLIC COMMENTS RECEIVED DURING THE
NATIONAL ANIMAL ID PROGRAM LISTENING SESSION

THURSDAY, AUGUST 26, 2004

IOWA STATE CENTER
CENTER DRIVE
SUITE 4, SCHEMAN BUILDING
AMES, IOWA
1:00 P.M.

IN ATTENDANCE:

BILL HAWKS, UNDER SECRETARY, MARKETING AND REGULATORY PROGRAMS

DR. VALERIE RAGAN, ASSISTANT DEPUTY ADMINISTRATOR

STEVE POORE, MODERATOR

(The meeting began at 1:05 p.m. and opening comments were made by Mr. Bill Hawks and Dr. Valerie Ragan.)

MR. POORE: We will move quickly into the public input section, and the way we're gonna do that is, I will call the speakers up here five at a time that will sit here, then from there we'll call them up one at a time to the podium. And we have a transcriber who will be transcribing the remarks, and those will be posted to the Internet.

We ask that you try to speak roughly into the microphone, which will help her hear a lot also. The other thing is that we do ask that you keep your remarks to three minutes. There are many people who want to speak, and we want to get to all of them. We have this little timer here to help with the timing, and during your three minutes, for the first two minutes this light will be green. As you go into the third minute it will start flashing to let you know you have a minute left. So it will flash for 45 seconds. Then it will flash yellow for 15 seconds, and then when it goes to red then we need to move on to the next speaker.

The first five speakers are Secretary Judge, Dr. Larry Williams, Jim Fraley, Terry Hopper, and Gretta Irwin. So if you could come and take these five seats. And we also ask that each speaker give their name and affiliation when they begin speaking. That helps the transcriber also.

SECRETARY JUDGE: Good afternoon. I'm Iowa Secretary of Agriculture Patty Judge. I'd like to formally welcome Under Secretary Hawks and representatives from USDA to Iowa and to express our appreciation to all of you

for allowing the Iowa livestock industry and me the opportunity to comment on the National Animal Identification System.

The protection of Iowa's livestock herds has always been a priority of the Department of Agriculture and one of my priorities. That didn't begin with the BSE case in Washington or the foot-and-mouth disease outbreaks in England. Our experience comes from constant surveillance efforts that have addressed several animal diseases and recently culminated, as you know, in the eradication of pseudorabies in Iowa.

Iowa is the nation's leader in pork production and is the home of 25 percent of the nation's swine population, resulting in a multi-billion dollar industry here in the state. We also lead the nation in the production of eggs and rank in the top 10 in both beef and dairy production.

Iowa, of course, is also the nation's leader in the production of corn and soybeans, and a vast majority of the grain produced is fed to our state's livestock, so anything that would disrupt that chain, as Dr. Ragan talked about, would have a ripple effect on our agriculture industry and the state economy as a whole.

We certainly realize that anything as prominent as a National Animal Identification System has significant implications for the nation's most livestock-dense state. As the Secretary of Agriculture in the state, I am charged with the health and welfare of livestock and poultry, and I do see the benefit of

the National Identification System and in tracking animals in a timely basis.

Access to the data must be readily available to the state veterinarian in order to plan and facilitate the best course of action. Our federal counterparts must realize state departments of agriculture and state health officials, animal health officials, are the first line of defense.

Again, I must stress, access to data is the key from a state perspective. As state regulators, we have no desire for production information or for anything that might be deemed proprietary. We just need to know where the animals are, where they come from, and have access at a moment's notice to that data.

That being said, I am extremely disappointed in the start up of this initial implementation phase. The recent announcement of \$11.64 million in awards to states has been very troubling. Mixed instructions by USDA officials made the competitive grant process cumbersome and unnecessary given the minute resources that were allocated for the initial phase. Of course, as you know, any resources that were awarded failed to go to Iowa and only marginally into Nebraska, the nation's leaders in beef and pork production.

I question the decision not to fund the project we submitted, which addresses a unique situation of tracking swine throughout the country. BSE may be in the headlines now, but we are just one disease away from crippling the pork industry. We've seen what avian influenza and BSE have done to our export markets.

There are three areas that government, both state and federal, must address for the system to be successful. First, producers must be assured that submitted data will be protected and that the livestock and poultry industry will be safer because of the creation of the system. Second, producers must be assured that creating such a system will have a minimal effect on their bottom line and will only enhance their profits. And third, they must be convinced that the identification system will not be used to hold them liable in case of a food-borne illness.

In conclusion, looking forward, I challenge USDA to make a serious commitment to this project, to devote the kind of resources necessary to make it useful, and I assure you that the State of Iowa stands willing to assist you in this effort. The stakes are too high to the agricultural economy of the state and the overall agriculture economy of the country to proceed in any other manner. Again, I thank you for your time and look forward to working with you.

MR. POORE: Thank you, Secretary Judge. Dr. Larry Williams.

DR. WILLIAMS: Under Secretary Hawks and Dr. Ragan, it's good to see you again. I appreciate the opportunity to participate here today.

My name is Dr. Larry Williams and I'm the state veterinarian in Nebraska. I'm here today representing the Nebraska Department of Agriculture. The Department strongly supports the development of the National Animal Identification System. An efficient and effective system is essential to the

welfare of animal production agriculture in the United States.

Much effort has been put forth by the USAIP working groups and associated contacts, and that effort should be highly valued. The state's livestock industries now are looking to USDA leadership in utilizing those recommendations. A strategy that will clearly define the system is needed, complete with requirements and time frames for accomplishment.

In whatever manner USDA decides to proceed, your efforts should be moved along quickly. Many of our producers are anxious to begin tagging animals with RFID devices but are concerned that what they do today will not be acceptable later. As a state Department of Agriculture in the state that is the leader in red meat production, we want to give our producers answers to their questions, but we need your assistance on a number of issues.

First, some portions of the NAIS will be likely to have to be mandated. We understand that, and most producers have conditioned themselves to that reality. But there is confusion as to what and how much will be mandated. USDA should identify the components of the NAIS that are minimally and immediately necessary to develop an effective system.

As USDA works on these mandatory issues, officials need to work on communications. The current NAIS approach has been marketed to the industry as being voluntary, but there are heavy undertones of mandatory requirements. I believe producers will understand some level of mandatory needs with the

system, but they need to know now what is being planned.

Second, while lobbying for guidance from USDA on NAIS development, I also believe any guidelines should have some built-in flexibility. States should be allowed to develop systems that collect data in a manner that is consistent with livestock management practices in their respective regions.

Standards for the data submission should be established by USDA to provide the uniform baseline needed for the animal tracing queries. However, how that data is collected should be left up to the states. Because, for example, the best way to collect data in the southeastern states may not be applicable to data collection in the vast expanses of the western states.

Third, Nebraska recently received \$130,000 for the first round of grant distribution for premise identification systems. These funds were significantly less than what we had requested, but we will use this money to further our efforts to start our premise registration system. I met with officials in Fort Collins Tuesday of this week and am pleased that our system will soon meet the standards required by USDA. We anxiously await the final approval so that our producers can begin registering their premises.

While we will use the \$130,000 to the best of our abilities, we will need further funding to support the animal identification initiatives being undertaken in states with which we share animal commerce. Nebraska is a prominent importer of livestock for feeding and slaughter. With funding to provide RFID readers at

strategically selected places such as feed lots---

MR. HAWKS: Larry, the light's red. Thank you.

DR. WILLIAMS: We look forward to working with you.

MR. HAWKS: I would like to point out to you that we have a number of speakers and, to be very candid with you, Madam Secretary, we did want to allow you the opportunity to complete your comments, so I would respectfully ask that the rest of these speakers observe this red light when it goes off. You've got a green light and then a yellow light. When that yellow light comes on, start wrapping up, because you've got, I think, one minute---

MR. POORE: fifteen seconds.

MR. HAWKS: Fifteen seconds. So when that comes on, please start to wrap up.

MR. POORE: Jim Fraley.

MR. FRALEY: Good afternoon. My name is Jim Fraley. I serve as the livestock program director for the Illinois Farm Bureau and the manager of the Illinois Milk Producers Association, and on behalf of these two grassroots organizations, I appreciate the opportunity to visit with you today. Our organizations have been very supportive of an Animal ID effort for many years, and we've been very involved in like-minded groups that share the goals of preserving our country's high standards of animal health and ensuring the 48-hour trace back in the event of a disease outbreak.

We have an extensive policy development process and utilize several effective

methods to garner our members' input. As I talk to our state's farm families, three main concerns continue to come to the surface. One is ensuring confidentiality of the data. Second is potential market disruptions that an ID system might cause, and then the cost to the producer.

We certainly appreciate the stepwise approach USDA and its industry partners have taken in developing the USAIP framework. By phasing in a mandatory program, we can develop a system that will have integrity, operate efficiently, and maintain domestic and export markets. To make this have the support of the producers, we have to ensure the information involved in this effort be confidential and not be subject to FOIA. As a matter of farmland security and national security, we simply can't afford to have this information available to potential bioterrorists and activists. For USDA to have our support of this program, it has to be completely confidential and only accessed in the event of a disease outbreak.

Our members are also concerned about the potential market disruptions on two fronts. One is the speed of the system, the rhythm of the dairy/heifer auction or a calf sale would be severely disrupted if cattle coming through the ring are not identified properly, the readers can't handle the capacity, or the system goes down. We realize there will be growing pains and glitches, but we certainly need to make sure that every precaution is designed so that it can be operated at the speed of commerce.

The second concern is this area of packers and markets use of the readers. We need to emphasize these systems be seamless so all packers and markets can identify the--identify the identifier. We want to make sure the scenario where a producer is locked out of a market because a packer he chooses to market to, you know, cannot read his identifier. We want to make sure that it's seamless and the same across all aspects.

And then, lastly, we need to ensure that this system be cost-effective and not economically burdensome to producers. An RFID tag like this one I'm holding here will cost a cattle producer less than three bucks. This double tag in an animal provides a very high retention rate for the identification, and an inexpensive reader like this one is about \$150.

The costs aren't burdensome for most cattle producers, but the costs that we're concerned about are the costs of folks down the line: packers, sale barns, marketing points. They're all facing very high investments in infrastructure, and it's our belief that these costs are usually not passed on to consumers but back to the producer in the form of lower prices. So we'd rather see some financial assistance, grants or other programs, put in place to help these---

MR. HAWKS: Thank you.

MR. POORE: Terry Hopper.

MR. HOPPER: My name is Terry Hopper. I am general manager of Dairy Lab Services in Dubuque, Iowa. Dairy Lab Services is one of 28 service affiliates in

the National Dairy Herd Improvement Association organization. I am pleased to have the opportunity to share several ideas relative to the proposed national ID system with you on behalf of our producer members.

First, I want to assure you that we strongly support the development of the-- strongly support the development of and the rapid implementation of a National Animal Identification System. It's critical to the future of animal agriculture as we seek to address animal health issues and maintain and enhance our ability to trade with other nations. Without a national animal identification system, we as producers and an industry are at a significant disadvantage compared to other nations in both of these areas.

Dairy is a unique--dairy is unique in that we have had in place for nearly 100 years a voluntary, producer-led program that includes both herd, premises as well as permanent animal identification. DHIA currently serves nearly 50 percent of the dairy cows in the nation, yet is not well-known outside of the dairy industry. We believe that it's critical that DHIA be recognized as a significant part of the national animal identification effort. This will minimize the need for any duplication of records being kept by producers.

The system currently maintains records on approximately four and a half million dairy cows. The program operates in every state and has a field staff that routinely visits producer members to collect and verify information. This information includes herd or premise information as well as individual animal

information like identification, date of birth, movement in and out of the herds.

We recognize that some additional detail will be needed relative to movement, but the basic information is there, as well as a system that can be easily modified to facilitate collection of additional information.

To summarize, the DHIA system provides the National Identification System an opportunity to partner with a voluntary, producer-led system that's trusted by producers and industry and has a long history of excellence in data collection and transfer in this effort. While the system now focuses on dairy, it can easily be made available to other species. Our producer organizations would welcome the opportunity to make appropriate parts of this system available to other species and regulatory health officials.

Thank you for allowing me to share these thoughts with you. I thank you.

MR. POORE: Thank you, Mr. Hopper. Gretta Irwin.

MS. IRWIN: Good afternoon. My name is Gretta Irwin. I am appearing today on behalf of the Iowa Turkey Federation. I am their executive director. The Iowa Turkey Federation is Iowa's primary advocate for the turkey industry. The views I'm sharing are also of the National Turkey Federation.

Iowa has 85 turkey growers raising over 8 million turkeys annually. Over 90 percent of these turkeys are raised on farms owned by farm families. The turkeys that are transported are processed here in Iowa. Iowa ranks number 9 in the nation for pounds of turkeys processed. We have three turkey processing

facilities: one in Storm Lake, one in West Liberty, and one in Postville.

The National Turkey Federation and the Iowa Turkey Federation believe any animal identification program should be voluntary and should incorporate existing industry and state programs. Since turkeys and other commercial poultry are raised and transported as flocks, identification should be done by flock rather than by an individual bird basis.

The program also should be extended to the live bird markets that operate in and around major urban areas. These markets serve an important purpose, but some have been very dangerous as reserves for disease, particularly avian influenza.

Live bird markets were implicated in three avian outbreaks since 2002. Our organizations will continue to work with the USDA to determine whether the unique nature of the live bird markets would require birds to be--to these markets to be individually identified.

We also feel that the program should be flexible and use the current ID systems.

It is important to understand that the vertically integrated nature of the turkey production and its implications for animal ID's. Iowa's turkey companies already have the ability to trace products back from slaughter facilities to the flocks of origins within 48 hours, which is the stated goal of the USDA program.

In fact, I believe the companies could trace products back to the farms in less than six hours if need be. Movements of flocks and all records are kept in centralized points for easy retrieval and references. It only makes sense that

USDA would build on an existing business-based capacity rather than trying to layer an entirely new identification program on top of one that is already working.

NTF and the Iowa Turkey Federation agree with the USDA that an animal identification program should be voluntary at this time. We think that trade considerations alone will ensure strong participation in the program. Making the program mandatory would create a new range of issues that could actually serve to slow the process. For example, who is going to pay for the cost of this program?

Another issue facing the poultry industry is the confidentiality of the data. I suspect that if the data was not kept confidential, you may lose some of the participants in this as well.

To summarize, the Iowa Turkey Federation and the National Turkey Federation would like to show that we support this program, and we, of course, want to keep it as confidential as possible to our participants and will continue to work with you on this in the future. Thank you.

MR. POORE: The next five speakers are Robert Johnson, Evan Vermeer, Paul Sundberg, Lance Kuck, and Dwight Williams.

MR. JOHNSON: Thank you. I'm Bob Johnson, a cattle producer and also president of the Iowa Cattlemen's Association. Thank you for the opportunity you have afforded us to comment on this issue. It is very important that

livestock producers have a stake in this program, and this session is very important to us. We appreciate your willingness to listen to producer concerns. Let me also thank you for the effort you have made thus far in your development of the program to include all segments of the livestock industry.

We believe that a properly designed animal identification program and traceback system will be a benefit to the livestock production industry. As food producers, we are concerned that we give our consumer a safe product and that we can verify its safety. We believe that the proposed USAIP should be implemented as a National Animal Identification System. The proposed plan utilizing the recommended standards for premise ID and individual animal ID is working. We are concerned that producer data must be kept confidential and exempt from current Freedom of Information Act requirements, including blocking this information flow among various government agencies. In addition, this information must not be accessed by anyone in the private sector except the present owner of the animals. We believe that the idea proposed by certain industry businesses to form a public/private combination database is one way to help ensure this privacy and wholeheartedly support that concept. We also believe that this will lead to better producer acceptance and support of the program.

We agree that the only events that will trigger access to the information be as follows: number one, confirmed positive tests for the defined diseases; a

declared animal disease emergency as put forth by the Secretary of Agriculture; three, program diseases trace back to determine the origin of the disease. At this time, access will only be given to USDA-approved veterinary personnel to begin the traceback process.

The cost of the program to producers is a concern we have. We do not expect producers to be immune from all costs, but we would challenge you to continue to fund the startup of the system.

We in Iowa have had a significant experience with RFID in beef cattle. This is the same technology defined by the USAIP, and we totally support this technology to be used for the individual animal identification. The ability to utilize the same technology to gather the production data for analysis is a big help to producers and to make---

MR. POORE: I'm sorry, Mr. Johnson, you need to wrap up, please.

MR. JOHNSON: In closing, we would encourage you to move forward with the USAIP as you are, with gradual implementation and supporting funds for initial development. Thank you.

MR. VERMEER: I'm Evan Vermeer, vice president of membership services with the Cattlemen's Association. Thank you, Mr. Hawks, for taking the time to have these hearings. We appreciate your concern for the producers. We appreciate that you're here. We all agree that the National ID Program can be a good thing but producer concerns have to be addressed or it won't be successful.

We'd like to add our support for the USAIP as proposed for the National Animal Identification System. The ICA has been using radio frequency or electronic identification with producers for seven years as a method of tracking animals and individual animal production data, including performance and carcass data. This system is under the umbrella of the Iowa Quality Beef program. We currently have more than 500 producers that have used the system and over 140,000 beef cattle in our database.

We are very happy with the system we have developed in partnership with Ag Info Link. This system works well and we believe we are ready to move forward with this into the National Animal ID System. We have experience in tracking one owner cattle as well as ownership transfer, sorted, commingled cattle, from ranch to feed lot to processing, not only with Iowa cattle but cattle that enter our state from other states for finishing. We are prepared to add premise ID to our system immediately.

In the system just described, we've addressed the issues of how to enter the animals into the system as well. We have developed different options, which include access to the program without needing a computer or a reader on site, thus allowing producers to use their normal paper recording systems while we at the ICA do the actual computer entry. This is very beneficial to the average producer and is a simple approach to entering the database.

In addition, we have software available to any producer who wishes to operate

the system onsite. A third option recently added is that of a certified service provider. In this case, the provider is issued software and that producer goes on site to gather data, and this data is then forwarded electronically to the Iowa Cattlemen's database. Certified suppliers would include several veterinarians throughout the state as well.

The Iowa Cattlemen's Association has recently expanded its reach through a cooperation agreement with ABS Global, the nation's largest supplier of bovine genetic and beef breeding programs. Under this agreement, ABS Global technicians provide on-farm services for producers, including installing electronic ear tags.

Because we already have this developed in Iowa, we are concerned that Iowa was left out of the first round of grants. We believe we are fully ready to implement this system on an experimental basis. Because of our experience with Ag Info Link, we are very supportive of the public and private partnership proposed to USDA. We know that system works. We have a lot of contact with producers across the state, and we believe that most see the advantages of national ID and are prepared to move forward. We understand there's a cost associated with it, and we believe that producers are willing to bear their share, but we still have concerns that producers do not bear the brunt of the cost of the system.

We would urge USDA to approve the Nebraska Premise ID System as soon as

possible, since we believe this fits the cattle industry very well. We are concerned with foodborne illnesses. We must assure that this will not be used as a weapon against producers.

Again, let me thank you for listening to producers on this matter.

MR. SUNDBERG: Good afternoon. I'm Paul Sundberg, the vice president of science and technology for the National Pork Board. These comments are submitted on behalf of the National Pork Board, which is funded through the pork checkoff, that represents approximately 75,000 pork producers in the U.S. The National Pork Board is responsible for the collection, distribution, and program accountability for the money generated by the pork checkoff under the oversight of the USDA Agricultural Marketing Service.

Today I'd like to offer technical data on how checkoff programs and research highlight the importance of successful animal traceback to pork producers.

First, in regard to a 48-hour traceback. The checkoff programs dealing with swine health and animal ID recognize that an ID system that covers all livestock species is needed to protect the U.S. swine herd in a number of areas, including food safety and security, animal health management, and international trade.

Those programs accept that even within pork production a particular method of identification may not be cost-effective or efficient and that the performance measure of a 48-hour traceback rather than the identification method itself is the objective.

Second, regard to security, the checkoff swine health and ID programs understand the importance of ensuring the security of data in a way that will protect the confidentiality of producers' businesses. Without that understanding, there is the opportunity that an ID program could provide animal numbers, animal location, and animal movement data that could unintentionally add to security risks for our premises.

Finally, in regard to the development of a truly national animal identification system, our checkoff research shows that an ID system to be effective, it must have sufficient public funding to ensure producer participation and not financially burden producers.

Our swine health and ID programs also recognizes that to ensure producer participation and program effectiveness, state and local knowledge of the area's animal agriculture infrastructure is also essential. That's why the checkoff swine health committee chairman sent a July 23rd letter to Dr. DeHaven providing an assessment of two of the projects that were submitted during the competitive call for RFP's to begin the implementation phase. The letter said in part that, "Although we're supportive of all proposals bearing components designed to enhance effective and affordable swine ID, there are two proposals that are consistent with our objectives," and one of those was the proposal submitted by IDALS [phonetic].

This proposal reflects the recommendations of the pork industry identification

working group and supports our research priorities and the objectives in the initial RFP. Although we don't know why the project was not funded, its not being selected raises a question about the effectiveness of implementation of a national ID system state by state.

According to IDALS, there are many animals moving into the state throughout the year and that animal movement across the country is important in that we need to have an effective ID system that can be very reflective of the animal movement and help us with the identification as those grow across the country. Thanks for the opportunity.

MR. KUCK: Good afternoon, everyone. My name is Lance Kuck. I'm a bison producer from Bassett, Nebraska. I'm also co-chair of the bison species working group for the U.S. Animal ID Plan, and my wife and I helped develop and currently oversee field implementation of the National Bison Association's process-verified Certified American Buffalo program.

In developing our Certified American Buffalo program, we had to handle this traceability issue as that is the center of this entire program. We spent almost two years developing procedures and protocols involved in this traceability.

After extensive producer input to ensure 100 percent accuracy of this traceability as required by our manual, we have developed these procedures and protocols as well as taking into account the animal welfare. As you can imagine, bison can be somewhat difficult sometimes to handle.

These procedures are outlined in our species group recommendation to the U.S. Animal ID Plan. These recommendations should be completed here very shortly and I would strongly urge anybody involved in the final decision making with the National Animal Identification System to consider these procedures as they're very important.

Another unfortunate aspect of our program is the cost. We incurred a significant cost in our program, and these are real costs. These are not costs that are projected, as many possibly see right now are. And with these costs, they need to be handled correctly, because costs in a mandatory system are going to affect compliance. Costs in a voluntary system are gonna affect peoples' willingness to participate.

The other thing to address as well is the importance that this system be compatible with value-added programs such as our National Bison Association program. The data, if it ends up disappearing into some black hole somewhere, we can't use it for these systems, it's not gonna be conducive in the long run.

Our producers look at the National Animal Identification System and the USAIP much differently when they realize that they can be compliant with those programs and also participate in our program that they perceive--and it does actually give them value.

On the flip side of that, we've also seen producers look at our program very differently because they see this tagging as a requirement. We utilize RFID

tags, and they're going to be mandatory at some point. That's how our producers see it. So if they're gonna have to do that, they'd just as well put in a secondary tag like we required and participate in our program as well. So what I want to emphasize is, this NAIS and value-added programs complement each other and are gonna be a win-win in the long run. Thank you.

MR. POORE: Thank you, Mr. Kuck. Dwight Williams, please.

MR. WILLIAMS: Hello. My name is Dwight Williams. I'm a beef divisional manager for ABS Global, and it's a pleasure to be here this afternoon.

Within our organization we feel that there is a significant opportunity for private enterprise to be involved in the implementation of this USAIP plan. And we are investing time and effort in that endeavor, to learn and follow what the plan is doing in terms of implementation so that we can indeed harness our resources in the U.S., which is significant from the standpoint of a nationwide network of independent contractors and employees that have access to--direct access to producers, such as many of you that I'm sure are in this room, and in many cases are having access with the dairy producers on a daily basis. So we have the opportunity, we feel, to be of significant benefit to those producers in assisting them in implementation of a national ID plan.

Within the state of Iowa, we are working with the Iowa Cattlemen's Association to facilitate a seamless national ID plan, or an ID plan that will comply, certainly, with a national basis. And within other states we are staying in close

communication with the dairy side of the equation, though I'm working primarily on the beef, to make sure that indeed what we are setting in place today, to the best of our knowledge, are going to be compliant with ultimate national ID requirements.

We realize that within the system, what is being recommended today for the bovine species, that there are likely to be new costs added to the producer. And what our goal is in working with our producers is to find ways to optimize performance and production to be able to negate, as much as we possibly can, the additional costs that go into compliance with the additional benefits through production and performance data.

Just as a side note, I was in the UK earlier this month for a different reason than ID, but I did happen to note that the ID systems there, as was implied earlier, are very complex, and do appear to be burdensome, and yet I did not hear anyone complain about it, and I did pick up the fact that the penalties sounded to be quite severe in terms of non-compliance. I appreciate the offer to be here with you this afternoon. Thank you.

MR. POORE: Thank you. The next five speakers are Jeff Ewing, Stan Pitratz, Sam Kline, John Mayer, and Linda Hodorff. Jeff Ewing. (No response.) Stan Pitratz.

MR. PITRATZ: Good afternoon, ladies and gentlemen. Secretary Hawks, Dr. Ragan--by the way, and I'm not trying to exclude either of you from being a lady

or a gentleman by putting them in that order. I'm sorry. This group is so serious; you need a little bit of humor.

My name is Stan Pitratz. I'm from Ushton, Iowa. I'm both a livestock producer of sheep and cattle, some goats, and even a horse or two. I'm also the founder of Premier Sheep Supplies, and we supply the official plastic tags for the sheep scrapie program, many millions a year, throughout the United States to 40 or 50 thousand different premises.

In addition to that, I'm one of those 100 poor individuals who are part of Dr. Ragan's USAIP plan that worked on preparing, among other things, the standards, and in addition, within that group I worked on the standards committee that was involved in this. So maybe that makes me poorly placed to comment, but I'll do it anyway.

I'll limit my comments to two things, and they will be, if you don't mind, slightly constructive criticism is how I would view them.

Number one, the name of the program is NAIS, National Animal Identification System. Technically that's a bit of a misleading misnomer. The real goal, as I understand it, is it's a National Animal Tracking System, but the word "NATS" doesn't make a good acronym. But it's important to understand this. If you just want to identify animals, we can put a visual tag in them with a unique number on it. It's cheaply done with no interference in commerce. The problem--the problem that is presented by this plan is how we track all those animals.

Now, I've got a question. Who here represents the auction markets and the livestock haulers? One person. That, to my mind, was a weakness of our USAIP team. There were probably two or three at best that represented the auction market and the livestock haulers, and, as somebody said earlier, in an earlier listening session, they are where the rubber meets the road. They have to track these animals as they move.

Producers, and those representing producer associations, tend to forget this. That's where the real problem is going to occur. That's where the real practical, workable, proven solutions have to be demonstrated. And, to my mind, that's where we need to be focusing. Just putting a tag in their ear, whether it's visual or electronic, doesn't solve problems, unless it's going directly from the farm in one group to a killing plant. But that isn't really the issue, is it?

So I think that we need to think much more about what the auction market people have to say. They're not here. I invited my local auction market person, young, progressive gentleman, to come here, and he said, "I'd like to come but this is my cattle day. Yesterday was my sheep day. The day before was my pig day." How are we gonna set up a system so he can run various species through his auction market---

MR. POORE: I'm sorry.

MR. PITRATZ: --day after day?

MR. POORE: I'm sorry.

MR. PITRATZ: Thank you. I appreciate your time. I'll submit my second comment in writing. Thank you.

MR. CARNEY: Good afternoon. My name is Sam Carney and I'm president of the Iowa Pork Producers Association. Here are some of my concerns related to the National Livestock Animal Identification Program, but first I'd like to add my disappointment with the decision not to fund the pork industry's premises identification proposal submitted to the USDA. The pork industry remains confident that our approach to premises ID is practical, confidential, accurate, and cost-effective.

As of today, no federal law has cleared Congress that mandates participation in the National Premises Identification Program. This means voluntary participation with any ID program discussed today. We all may agree to disagree on voluntary or mandatory approach. We will discuss our concerns with the current direction of the National ID process on behalf of the Iowa Pork Producers.

First, it appears as though the USDA wants the states to put all the premises ID information into a database without adequate controls. This is problematic and unworkable for state departments of ag.

Number two, information consistency—even with a standard format, such as USAIP—leaves much to be desired. Duplicate entries for lack of data editing will create thousands of inadequate entries which will make locating farms'

contract information extremely difficult. Therefore, data editing will be crucial to maintaining a adequate, sortable, and current database.

Number three, no one indeed has the final responsibility for the data accuracy.

Number four, minimal provisions have been devised for making data changes on a regular basis or within a uniform format. If a database is not frequently corrected, the information may be inaccurate during an emergency. In this case, bad data may be more harmful than no data in a crisis, because it colors policy decisions inappropriately.

Every effort should be made to test for complete data accuracy at the time of entry into the database; not just a postal code match. Furthermore, the most recent market activity should be viewed as the point--most accurate data available.

Number five. The cost of maintaining or editing data will be a huge issue. We need to find the most effective way of collecting, editing, refreshing, and checking the data.

Number six. USDA should not only address premises identification issues but look at the ways of incorporating comprehensive animal disease surveillance at the time.

Number seven. Special consideration should be given initially to species-specified databases. We believe it would be most cost-effective and accurate to treat species separately.

Number eight. Huge legal and policy issues need to be resolved concerning confidentiality. Database access---

MR. POORE: Thank you, Mr. Carney, and thank you for submitting the written comments.

MR. CARNEY: Thank you very much.

MR. MEYER: Under Secretary Hawks and Dr. Ragan, welcome to Iowa.

Thanks so much for making the trip. We're glad you're here. I'm really wearing two hats right now. I'm the chief information officer of the Holstein Association USA, and our family has farmed in Franklin County, just north of here. We have a beef and grain operation there. We've been farming in Iowa for over 100 years.

This country's animal agriculture producers, including the Holstein Association USA Incorporated's 35,000 members, are at risk today from threats of additional cases of BSE in this country and threat of foot-and-mouth disease. It is our belief that animal identification for production animal agriculture in this country needs to be mandatory.

Additionally, it cannot be technology neutral. RFID, radio frequency ID technology, is the most accurate, efficient, and cost-effective form of animal ID used in the world today and will likely be for years to come.

Without a mandatory national animal identification program in the United States, we will continue to be denied market access to certain countries

throughout the world. Currently, there are 58 countries that have banned U.S. beef since BSE was identified in Washington State late last year.

The National FAIR program, Farm Animal Identification and Records, which is coordinated by the Holstein Association, is an animal ID and traceability program in place and working today that incorporates RFID tags. The National FAIR program provides each animal with a unique identification number that uses electronic RFID ear tags to identify and track animals. Similar to a Social Security number or a car's vehicle identification number, the number stays with the animal for its lifetime.

The Holstein Association USA has worked cooperatively with USDA APHIS VS since 1999 to develop this program, and it's worked very well. I want to commend them for the excellent guidance that they've given us in that program. The National FAIR program was developed by producers, for producers. Currently there are well over 1.3 million animals in the National FAIR database. Information stored securely in the FAIR system includes where and when the animal was born, what locations the animal has been, such as farms, markets, or processing plants, what livestock the animal has had contact with, and eventually where and when the animal was slaughtered.

The information on the National FAIR database allows for the tracing of animal movements from birth to slaughter in as little as a few minutes. As part of this system, tag readers that are designed to read electronic tags are already in place

in markets and processing facilities throughout the United States.

I think one of the things people have been concerned about is confidentiality and Freedom of Information. I'm not sure everybody in this room realizes that there has been a National FAIR Act in the House and in the Senate that in both of those--that proposed legislation addresses those things. If you haven't seen it, particularly the House version that Congressman Peterson from Minnesota, Congressman Walsh from New York, and Congressman Ross of Arkansas developed, along with Udall and a number of others from Colorado and other places, really addresses those things that I think should be looked at if you have those concerns, because I think it's clearly laid out.

I would like to close with this. Ladies and gentlemen, now is not the time to reinvent the wheel. National Animal Identification needs to be implemented in the United States today. Thank you.

MS. HODORFF: Hello. My name is Linda Hodorff. I'm a fifth-generation dairy producer from Eden, Wisconsin. Over the past 20 years we've grown our herd from 40 milking cows to 700 milking cows. We also now raise our heifers at a heifer farm in Nebraska and have recently started a small beef herd.

My husband and I have served on various agricultural boards, but today I'm speaking strictly on behalf of our family owned and operated dairy. Our perspectives on the national animal ID system are based on our actual experiences over the years.

The four points I'd like to address today are, the standards, voluntary versus mandatory, funding, and governance and oversight.

First, the importance of USDA setting uniform standards for both premise ID and individual ID can't be understated. Ten years ago I had the opportunity to speak at a national dairy genetics conference in Florida, and I told them about our cow, Midnight. And at that time Midnight needed seven different ID numbers to serve all her masters, including brucellosis vaccination, breed registry, milk recording, and so forth.

One of the key outcomes of that conference was the tag line ID is the key, and I think the dairy industry has worked hard to develop and streamline within some of our individual dairy organizations. But one of the key outcomes of the entire industry is working with USDA on some of the pilot projects previously mentioned, the national FAIR project, and Iowa and Wisconsin solely have been involved with a premise ID project with the Wisconsin Livestock ID Consortium. And I think the fact that producers have been part of the discussions are key to helping drive this, because ultimately to keep the costs low, producers are the ones that will have their feet held to the fire to try to keep things cost-effective.

I brought our tags along if anybody has any questions on how we do it, and I've got our premise registration cards, so we're happy with the way the process is starting. But I also think that RFID needs to be part of the standards as well.

Secondly, voluntary versus mandatory. I support voluntary at this time, but I believe that as a national system it won't work until it's mandatory. I'm a producer, and I know how we think as producers, and I think it does have to become mandatory as soon as possible.

Funding. The entire population benefits from a complete national ID system. Unless a method of achieving part of the cost from the consuming public is developed, I believe a long-term commitment from USDA is needed. Producers in each state will be making a long-term commitment, and so USDA needs to be prepared to do likewise.

And finally, governance. I'm concerned that producers need a permanent place at the table. While there have been some producers as part of the USAIP development, and I applaud that, I think it's critical that producers are at the table in the future of the process. I've learned in working with the Wisconsin Livestock ID Consortium that we have--and auction markets and others, that cross-pollination with the actual people on the firing line are critical. Thank you very much.

MR. POORE: Thank you very much. The next speakers, George Naylor, Jared Taylor, Kevin Maher, David Kunde, and David Miller, and also if Jeff Ewing has returned and still wants to speak, you can come up now. These should be the final speakers. George Naylor.

MR. NAYLOR: Hi. My name is George Naylor. I'm a farmer from Sheldon,

Iowa, and I'm president of the National Family Farm coalition. Many of our members are farmers and ranchers dedicated to providing safe food and all of our members are consumers who wish to access safe and healthy food. We think it's imperative to maintain consumer confidence in the safety and quality of the U.S. food supply, and it's also imperative to improve the economic viability of independent family farmers and ranchers, and I'm afraid what I hear today is USDA is not making those concerns as co-equal concerns with our animal health concerns.

We think that any animal identification system must include imported animals and meat products and provide country of origin labeling for consumers. The same identification standards required of our domestic industry must be required of our trading partners. Consumers have a right to know where their food comes from and family farmers and ranchers have a right to know that their markets are not being undercut by inferior imports.

The cost of identification, or the process of identification, should not be a burden, especially to family farmers and ranchers. The National Animal Identification System should not allow livestock and commodity organizations and for-profit entities to manage or subcontract animal identification implementation.

Commodity groups are scrambling for new funding opportunities because their current checkoff dollars are in jeopardy. Many of these groups have a poor

record of representing family farmers and ranchers and should not be provided a new money-generating procedure through animal identification. Information collected under the animal identification program should be available only to public health officials for the purpose of tracing an outbreak.

Livestock producers should not be liable for claims other than those made by agencies authorized to access data in cases of animal health emergencies through an animal identification system. Label responsibility for food contamination incidents must not be unfairly shifted from packers and processors, feed, or feed supplement suppliers back to farmers and ranchers. And finally, no animal identification plan should be imposed before it can be reasonably and cost-effectively implemented with safeguards for both consumers and family farmers and ranchers. Thank you.

MR. POORE: Thank you. Kevin Maher.

MR. MAHER: Thank you, Congressman, and welcome to Iowa, Secretary Hawks. Good to see you again, and Dr. Ragan, and certainly Secretary Judge, good to see you as well. My name is Kevin Mayer, based in Ames, Iowa, here at Global Health Link. I founded a company about--well, in 2001, and we have the pleasure of working with the animal industry. It's kind of a dream come true, of doing--having grown up on a dairy farm in Iowa and attending Iowa State, to see animal ID finally come to a higher level of recognition and importance.

I'm currently on the U.S. Animal Health Association, the United States Animal Health Association's ID committee for a number of years, I guess the last five years, and, as Dr. Ragan knows, we've been through a lot in that period of time, and committee meetings were a sparse group and now the room is overflowing as we've seen this issue come forth.

My involvement in the past, just kinda a little bit of background in animal ID, I had the fortunate opportunity to work in Europe and South America and Asia in the early '90s with animal ID when it was first coming to light, electronic ID, all corners of Europe, in identifying--doing trials with sheep, milking sheep, goats, cows, swine, to see if electronic ID would actually work, and we all know that some of those countries have advanced more quickly perhaps in some species than we have.

Certainly, electronic ID is one option. It doesn't work for every species. I support a species-driven approach to animal ID as we've seen in different countries where it has not--doesn't have to be all. A standardized premise ID system absolutely is a must, so we do support that.

Background with our company, we have been fortunate to be working with USDA. Our--we are an example of private industry funding a database-driven application to allow--facilitate interstate movement of animals, and interstate movement is all about animal ID. It's painful and it breaks your heart to see a lot of animals move across state lines without adequate ID, without uniform

premise information that would facilitate more easily traceback situations, but there is a system in place now that's going to--it's now running in eight states, seven states, I should say, and allows electronic traceback by premise--by at least the animal address, the animal owner address, and by animal ID. So the national ID system would certainly be a big benefit.

And in conclusion, I want to thank you for the time to speak and restore the initiatives that are going on and hope we can accelerate to a plan that's well-funded but also becomes to be an industry-driven system. Thank you.

MR. POORE: Thank you. David Kunde.

MR. KUNDE: I'm David Kunde. I'm past president of the Iowa State Dairy Association. Having traveled around the state in the last five years representing dairy farmers, I've had the opportunity to visit with them on a number of issues, and this is one of the issues that comes to the forefront. It's paramount that the program will not get off the ground, will not work properly, if producers don't do their job properly. And as I read through the preliminary proposal, the program, there's provisions for retailers to recoup their costs, there's provisions for processors to recoup their costs, but no provisions for producers to do so. And the program is--in order to work, it's paramount that producers be compensated for their costs.

The other issue that--that comes up is imported products. In the name of free trade, we're bringing products into our markets that--from third world countries

that have all the diseases that we're trying to prevent. And those products will still come in under minimal inspection practices at our borders, and, you know, if those products bring in the disease that's as devastating to our industry whether it's being imported or whether we raise it here.

The other issue is government employees leave every year to work for private businesses, private industry. My concern is, can they take this information with them to a private industry and completely disrupt the marketing industry of our meat industry in this country?

And the other issue--I agree with Congressman King that I believe this information needs to go to a state level and then if there's an issue, if there's a problem, and that information is requested from USDA and transfers to USDA at that time. Thank you for your time.

MR. POORE: Thank you. David Miller.

MR. MILLER: The Iowa Farm Bureau Federation appreciates the opportunity to provide comments today. We have several concerns that we believe must be addressed as implementation plans are developed and rules promulgated regarding the National Animal Identification Program.

At the top of this list are three primary concerns. One is ensuring confidentiality of the data. Second is minimizing any potential market disruptions that would occur as a result of animal identification requirements, and third, avoiding burdensome costs to producers or industry that would impair the

competitiveness of the U.S. livestock and meat industries.

In addition to these concerns, we would also note that producers are desirous that any new identification system be made as compatible as possible with existing programs, such as the scrapie and pseudorabies eradication programs.

We believe that by phasing in the ID program we can develop a system that has integrity, operates efficiently, and maintains domestic and export markets.

Our members are also concerned about potential market disruptions. A major concern is the speed of the system. We realize there will be growing pains as we implement a system, but we cannot emphasize enough the need for a system that is designed to operate at the speed of commerce; therefore the rules need to accommodate the needs of commerce.

Another concern is the need for universal technology platforms. Authorized systems must be "plug and play," to use the terminology from the computer industry. We have data systems that, in fact, are compatible with a central system. We cannot have, if you will, incompatible systems like the Beta and VHS systems were with tape. They have to be able to talk.

The third is affordability. Affordability cannot be judged on cost effectiveness from the cattle industry alone. The tags that will work in cattle will not necessarily work for sheep, swine, or other species. A tag that is affordable for an animal with \$1,000 of value may be quite expensive if required in an animal over \$100 of value.

The rules need to take into account species differences and the ability of technology to work with various identification tag programs. Implementation of a national ID system for sheep and goats and those things should not be duplicative of the national scrapie eradication program. We need seamless transitions to another system that would be planned and announced well ahead of time with supplies available so that we can stay in compliance with existing requirements of those programs.

We are cognizant of requirements down the line. The fact is costs that come down the line are usually not passed on to consumers but rather back to the producer in the form of lower prices. We do think it's only appropriate that the public assist with the implementation costs of this program. Thank you for the time to present these brief comments.

MR. POORE: Thank you. That is all the speakers I have.

(Additional comments were made by Mr. Hawks and Dr. Ragan, and the meeting was adjourned at 3:20 p.m.)